

COUNTY ADMINISTRATOR'S PROPOSED FISCAL YEAR 2017 OPERATING BUDGET

Presentation to Roanoke County Board of Supervisors
March 8, 2016

Proposed FY 2017 Operating Budget

Budget Priorities

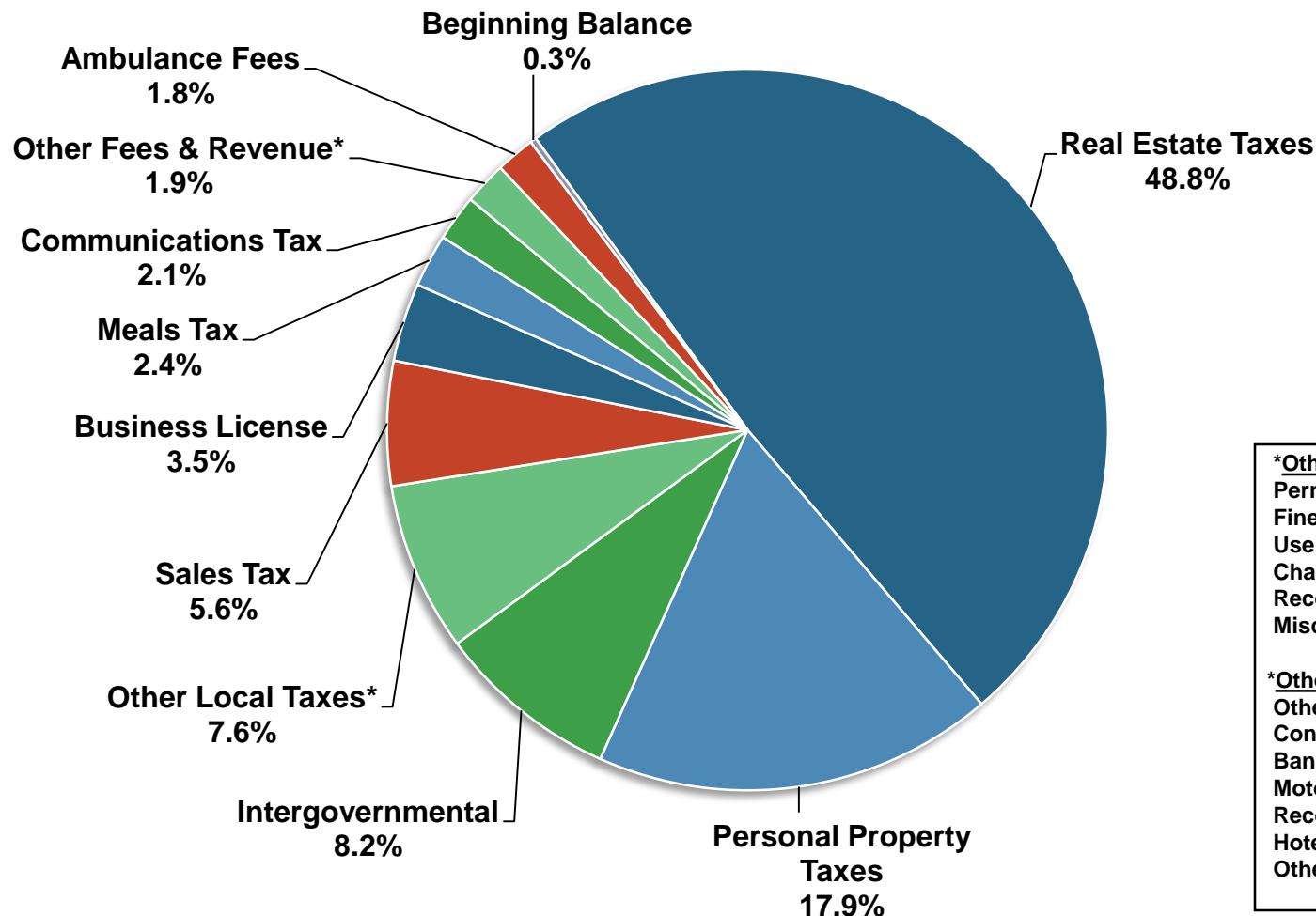
County Administrator's Proposed FY 2017 Operating Budget Priorities:

- ✓ Maintain service delivery status quo; address structural budget deficits
- ✓ Continue to retain and attract a high-quality workforce within fiscal constraints of the revenue budget; succession planning
- ✓ Balance fiscal impacts of compensation adjustments versus benefit cost increases
- ✓ Continue funding of capital maintenance and fleet/equipment replacement
- ✓ Long-range fiscal planning; impacts of decisions made now and those that will need to be made in the future

Proposed FY 2017 Operating Budget

General Government Revenue

FY 2017 General Government Revenue
\$183,442,915



***Other Fees & Revenue:**
 Permits, Fees, & Licenses – 0.3%
 Fines and Forfeitures – 0.2%
 Use of Money and Property – 0.1%
 Charges for Services – 0.5%
 Recovered Costs – 0.1%
 Miscellaneous Revenue – 0.6%

***Other Local Taxes:**
 Other Property – 2.2%
 Consumer Utility – 2.1%
 Bank Franchise – 0.2%
 Motor Vehicle License – 1.2%
 Recordation/Conveyance – 0.8%
 Hotel/Motel – 0.6%
 Other Local Taxes – 0.5%

Proposed FY 2017 Operating Budget

General Government Revenue

Category	Actual FY 2015	Adopted FY 2016	Proposed FY 2017	FY16 to FY17 Change
Revenue Categories				
Real Estate Taxes	\$86,453,395	\$87,885,995	\$89,440,397	1,554,402
Personal Property Taxes	31,084,203	31,793,620	32,916,418	1,122,798
Intergovernmental	14,497,834	14,058,112	15,047,703	989,591
Other Local Taxes*	13,680,322	13,400,610	13,936,000	535,390
Sales Tax	9,843,436	10,100,000	10,252,000	152,000
Business License	6,440,138	6,399,100	6,447,000	47,900
Meals Tax	4,011,413	4,071,850	4,362,750	290,900
Communications Tax	3,950,654	3,975,000	3,796,000	(179,000)
Other Fees & Revenue*	3,678,842	3,454,231	3,532,493	78,262
Ambulance Fees	3,157,348	3,142,233	3,223,233	81,000
Non-Revenue/Transfer	880,651	0	0	0
Beginning Balance	0	500,000	488,921	(11,079)
Total Revenue Projections	\$177,678,237	\$178,780,751	\$183,442,915	\$4,662,164

Revenue categories subject to Revenue Sharing Formula with Schools

Gross Total Revenue Subject to Formula: \$161,150,565

Gross New Revenue Subject to Formula: \$3,524,390

***Other Local Taxes includes:** Other Property, Consumer Utility, Bank Franchise, Motor Vehicle License, Recordation and Conveyance, Hotel/Motel, Other Local Taxes

***Other Fees and Revenue includes:** Permits, Fees, & Licenses, Fines and Forfeitures, Use of Money, Charges for Services, Recovered Costs, and Miscellaneous Revenue

Proposed FY 2017 Operating Budget

Tax Rates

County Administrator's FY 2017 Proposed Operating Budget maintains prior year tax rates

Tax Rate Description	Tax Rate	Value of a Penny on Tax Rate
Real Estate Tax Rate	\$1.09 per \$100 Assessed Value	*\$810,000
Personal Property Tax Rate including Business Personal Property Tax	\$3.50 per \$100 Assessed Value	\$87,000
Machinery and Tools Tax	\$2.95 per \$100 Assessed Value	\$8,500

*Reduction of a penny on Real Estate Tax Rate would result in a \$400,000 reduction in revenue in current tax year. Reduction of revenue would only impact County operations.

Proposed FY 2017 Operating Budget

General Government Revenue

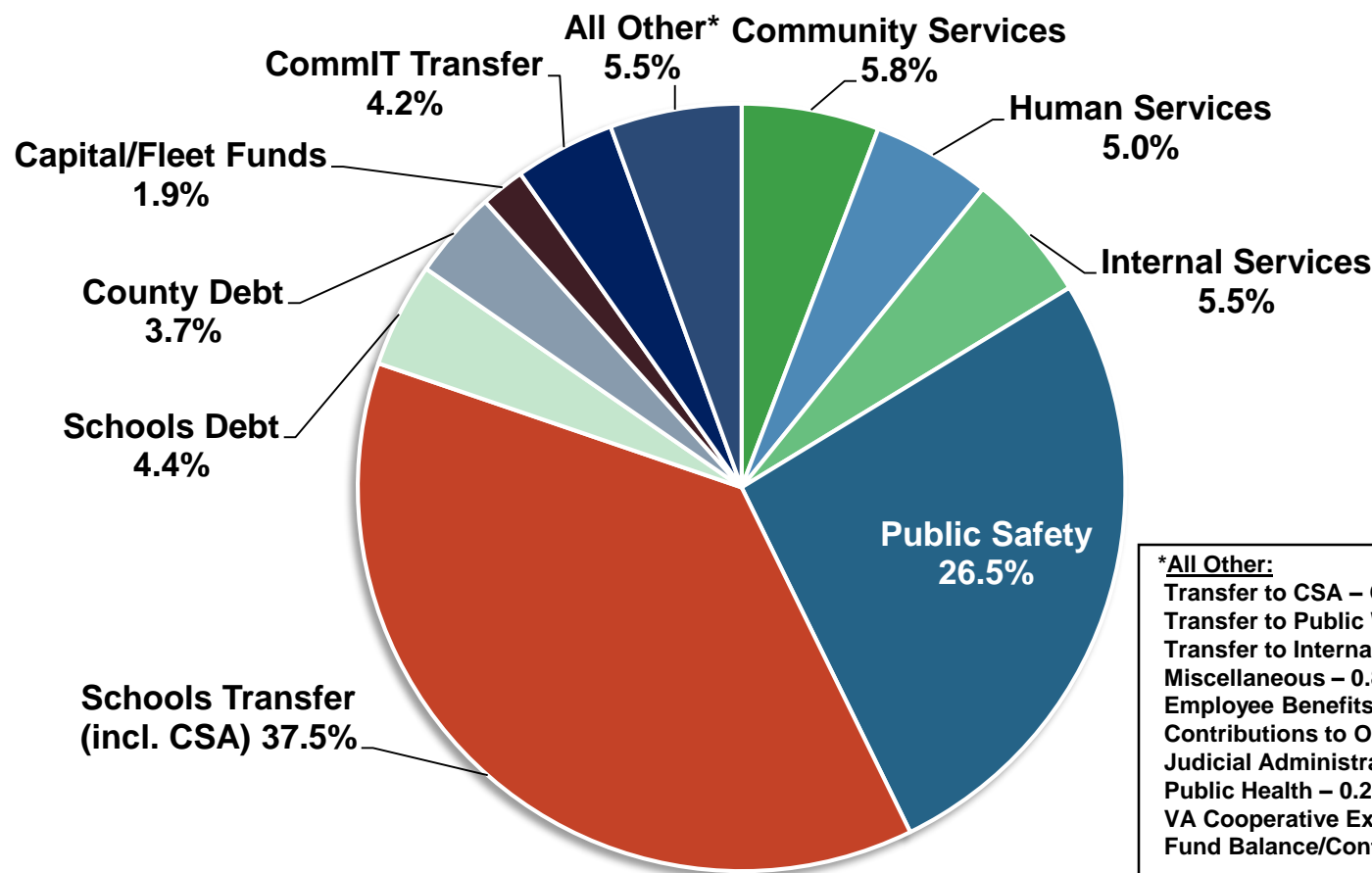
County Administrator's FY 2017 General Government revenue budget is \$183.4M – a 2.6% or \$4.66M increase over FY 2016

Description	\$ Amount
FY 2017 New Revenue	\$4,662,164
Federal Pass-Through for DSS	(800,000)
Economic Development Incentives	(381,833)
Transfer to Schools	(1,052,772)
Revenue Associated with CVB Increase	(57,943)
Total New Revenue for County Service Delivery	\$2,369,616

Proposed FY 2017 Operating Budget

General Government Expenditures

FY 2017 General Government Expenditures
\$183,442,915



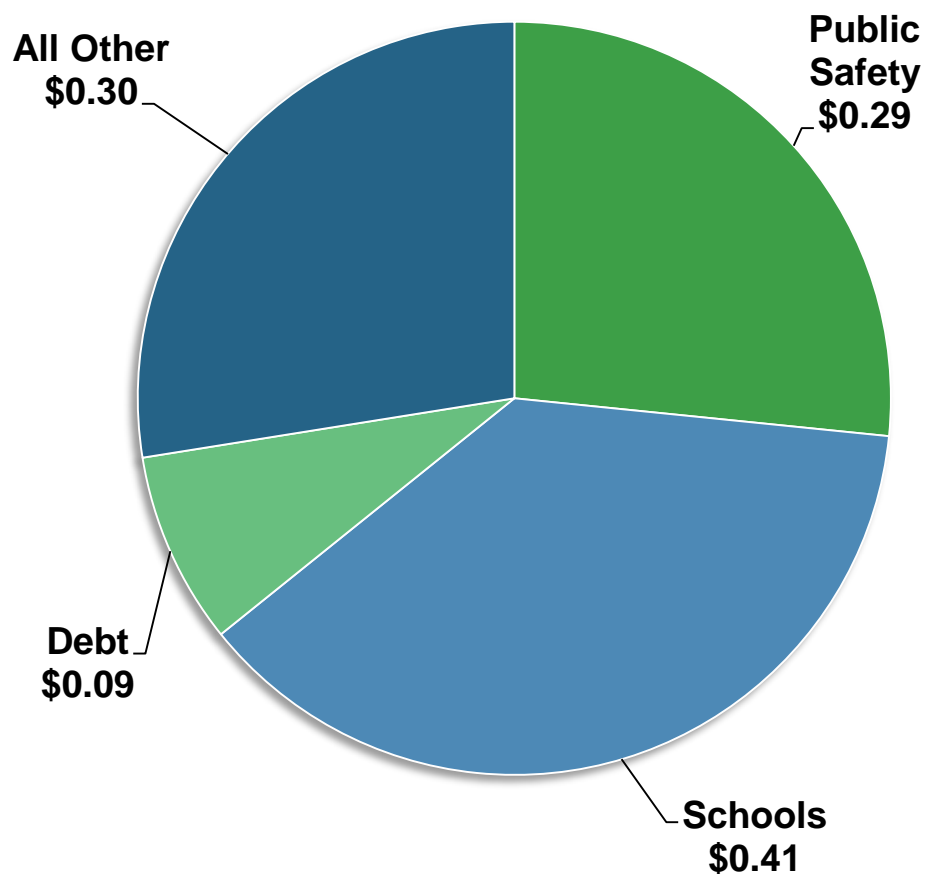
***All Other:**

Transfer to CSA – County – 0.52%
 Transfer to Public Works – 0.10%
 Transfer to Internal Services – 0.91%
 Miscellaneous – 0.81%
 Employee Benefits – 1.16%
 Contributions to Outside Agencies – 0.96%
 Judicial Administration – 0.44%
 Public Health – 0.27%
 VA Cooperative Extension – 0.05%
 Fund Balance/Contingency – 0.32%

Proposed FY 2017 Operating Budget

General Government Expenditures

**\$1.09 / \$100 Assessed Real Estate Tax Rate
Distribution for County Services**



Description	Portion of \$1.09 That Supports Services
Public Safety (incl. DSS)	\$0.29
Schools	\$0.41
Debt	\$0.09
All Other	\$0.30
Total	\$1.09

Proposed FY 2017 Operating Budget

General Government Expenditures

Description	Amount / \$ Change over FY 16
FY 2015-2016 Adopted General Govt. Expenditure Budget	\$178,780,751
Transfer to Schools	1,052,772
Total Base Personnel Adjustments	997,482
Functional Team Adjustments	
Public Safety (incl. Social Services)	968,885
Human Services	180,700
Community Services	230,984
Internal Services	271,518
Outside Agency Contributions	83,311
Transfers (excluding Schools) & Capital	863,438
Other Adjustments	13,074
FY 2016-2017 Proposed General Govt. Expenditure Budget	\$183,442,915

FISCAL YEAR 2017 PROPOSED OPERATING BUDGET ROANOKE COUNTY PUBLIC SCHOOLS (RCPS)

Proposed FY 2017 Operating Budget

Transfer to Roanoke County Public Schools (RCPS)

Description	\$ Change Over FY 2016
Transfer to Roanoke County Public Schools Operating	\$1,052,772

- Revenue Sharing Formula
- FY 2017 General Fund Operating Transfer to RCPS = \$67,857,479
- General Fund Transfer for RCPS Debt Service = \$8,085,386
- General Fund Transfer for Children's Services Act Fund = \$899,000
- March 17, 2016 – Superintendent to propose FY 2017 budget
- March 24, 2016 – School Board to adopt FY 2017 budget

FISCAL YEAR 2017 PROPOSED OPERATING BUDGET EMPLOYEE COMPENSATION & BENEFITS

Proposed FY 2017 Operating Budget Compensation & Benefits

Description	\$ Change Over FY 2016
2.0% salary adjustment for all employees	\$1,055,785
Health insurance premium increase including retirees (11.8% premium increase)	\$474,266
Other Benefits	\$206,335
Attrition / Pay Adjustments	(\$640,904)
Salary Lapse (<i>from \$952K to \$1.05M</i>)	(\$98,000)
FY 2016-2017 Proposed Countywide Compensation & Benefits	\$997,482

FISCAL YEAR 2017 PROPOSED OPERATING BUDGET GENERAL GOVERNMENT OPERATING BUDGET

Proposed FY 2017 Operating Budget

Public Safety (includes Social Services)

Description	*\$ Change Over FY 2016
Public Safety Functional Team	\$965,885
• Skill-based pay	\$251K
• Federal pass-through expenditures (Social Services)	\$800K
• Elimination of rent payment to DSS building fund	(\$360K)
• Foster Care Specialist & Assistant Director	\$130K
• <i>Total costs offset 50% from State / City of Salem</i>	
• Fire Inspector	\$55K
• <i>New fees / Town of Vinton offset total cost</i>	
• Courthouse security upgrades operating	\$26K
• Regional Center for Animal Care & Protection	\$64K

*Change over FY 2016 does not include Countywide compensation & benefits

Proposed FY 2017 Operating Budget

Human Services & Community Services

Description	*\$ Change Over FY 2016
Human Services Functional Team	\$180,700

- Library reorganization \$150K
- 2016 Presidential election \$17K

Description	*\$ Change Over FY 2016
Community Services Functional Team	\$230,984

- Stormwater operating costs moved from Capital \$200K
- Leachate discharge costs (Dixie Caverns) \$30K

*Change over FY 2016 does not include Countywide compensation & benefits

Proposed FY 2017 Operating Budget

Internal Services

Description	*\$ Change Over FY 2016
Internal Services Functional Team	\$271,518

- DSS building maintenance costs \$115K
 - *Rev./exp. moved from DSS building fund*
- Cleaning/maintenance at Vinton Library \$27K
- Structural budget deficits \$60K
 - *Utilities, cleaning, on-going maintenance*
- Two Tax Clerks \$78K
 - *Offset 100% by additional delinquent tax collections*

*Change over FY 2016 does not include Countywide compensation & benefits

Proposed FY 2017 Operating Budget Outside Agencies, Transfers & Capital

Description	*\$ Change Over FY 2016
Outside Agency Contributions	\$83,311

- | | |
|---|---------|
| • Contractual CVB increase (3/7 of hotel tax) | \$57K |
| • CCAP – funding for expanded eligibility | \$25K |
| • Small Business Development Center | \$5K |
| • Eliminate Commonwealth Games funding | (\$38K) |
| • Other funding / contractual agreements | \$34K |

Description	*\$ Change Over FY 2016
Transfers (excluding Schools) & Capital	\$863,438

- | | |
|--|--------|
| • Transfers to Debt Service & Capital Funds | \$576K |
| • <i>Includes \$337K increase for fleet/equip. replacement</i> | |
| • Transfer to Risk Management (Worker's Compensation) | \$150K |
| • Transfer to Communications / Information Technology | \$139K |

*Change over FY 2016 does not include Countywide compensation & benefits

**FISCAL YEAR 2017 PROPOSED
OPERATING BUDGET
OTHER GENERAL FUND BUDGETS**

Proposed FY 2017 Operating Budget

Other General Fund Budgets

Budget	FY 2016 Approved	FY 2017 Proposed	FY 2017 – FY 2016
Communications / IT	\$8,543,083	\$9,414,002	\$870,919
Children's Services Act (CSA)	\$4,809,612	\$5,985,313	\$1,175,701
Recreation Fee Class	\$5,397,645	\$5,378,920	(\$18,725)
Fleet Service Center	\$3,134,746	\$3,082,771	(\$51,975)
Criminal Justice Academy	\$259,374	\$312,004	\$52,630
Other General Fund Budgets	\$1,731,115	\$1,242,441	(\$488,674)
Total, Other General Fund Budgets	\$23,875,575	\$25,415,451	\$1,539,876

NEXT STEPS

Proposed FY 2017 Operating Budget

Important Page Numbers

Document Section/Information	FY 2017 Document Page Number
County Administrator's Transmittal Letter, Summary of General Government Revenue and Expenditure Changes, Summary of Position Changes	Pages 7-22
General Government Revenue and Expenditure Summaries	Pages 96-104
Outside Agency Contributions	Pages 203-210
Roanoke County Public Schools	Pages 234-236 and Pages 259-261
Debt Service Fund	Pages 265-276
Capital Fund, CIP, Fleet Replacement	Pages 281-302
FY 2017 Proposed Health Insurance Rates	Pages 308-309
FY 2017 Proposed Dental Insurance Rates	Page 314

Proposed FY 2017 Operating Budget

Next Steps

Budget Item	Date
Work Session: County / Schools Joint Work Session	March 8, 2016
Public Hearing / Set Maximum Tax Rates	March 22, 2016
Budget Work Session #1: Total Compensation	March 22, 2016
FY 2017 Budget Public Hearing	April 12, 2016
Public Hearing / Adopt Tax Rates	April 12, 2016
Budget Work Session #2: Operating Budgets	April 12, 2016
Budget Work Session #3: Capital, Debt, Other	April 26, 2016
FY 2017 Budget Public Hearing	May 10, 2016
First Reading to Adopt FY 2017 Operating Budget & FY 2017-2016 CIP	May 10, 2016
Second and Final Reading to Adopt FY 2017 Operating Budget & FY 2017-2016 CIP	May 24, 2016

QUESTIONS & COMMENTS
